



STAFF REPORT

RESOLUTION TO APPROVE AMENDMENT TO THE HOUSING REIMBURSEMENT AGREEMENT AND APPROVE A LOAN FOR FUNDS FOR THE 800 F STREET PROJECT

Honorable Mayor and Council Members:

Summary

The attached document is provided for Board approval in response to the December 14, 2004 approval of funding for the Mental Health Association of San Mateo County. No noticed public hearing is required.

Background and Discussion

On December 14, 2004, the RDA Board granted approval to a request by the Mental Health Association of San Mateo County for the funding related to the development at 800 F Street, as follows:

1. A loan of \$200,000, and
2. Payment of \$40,000 to the City of San Carlos for a sewer connection.

Both items are to be funded from the RDA Housing Fund. Staff has prepared a resolution, the amendment to the Housing Reimbursement Agreement (for the sewer payment) and loan documents for Board approval. No noticed public hearing is required.

The loan is set up as a no-interest loan, forgivable after 30 years, but subject to repayment if the project is sold during the 30-year term. The payment to San Carlos will substitute for the original plan to pay the City of Belmont for sewer connection fees (projected fees for the Belmont sewer connection were \$43,000)

Fiscal Impact

As part of this action, the Board will authorize a combined amendment to the FY 2005 budget approving a supplement appropriation in the amount of \$360,228 to Account No. 822-4633-9536-9030 (LMI "F" Street Project). This amendment will be included in the FY 2005 mid-year review, and includes the following components:

City permits and fees:	\$120,118
Loan	200,000
Sewer connection fee	<u>40,000</u>
TOTAL	\$360,118

Public Contact

Posting of RDA Board Agenda.

Recommendation

It is recommended that the Board direct the Executive Director to execute the draft “Amendment to Housing Reimbursement Agreement” with the Mental Health Association of San Mateo County.

Alternatives

1. Continue the item with direction from the Board.
2. Deny the request.

Attachments

- A. Draft Amendment to Housing Reimbursement Agreement
- B. Housing Reimbursement Agreement (September 11, 2003)

Respectfully submitted,

Craig A. Ewing, AICP
Planning and Community Development Director

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Executive Director